

TOLL BRIDGE PROGRAM OVERSIGHT COMMITTEE

CALTRANS BAY AREA TOLL AUTHORITY CALIFORNIA TRANSPORTATION COMMISSION

MEETING MINUTES

October 30, 2007, 1:00 PM – 4:00 PM
Caltrans Headquarters, Director's Conference Room,
1120 N Street, Sacramento, CA

Attendees: TBPOC Members: Will Kempton, Steve Heminger, and John Barna (via telephone);
PMT Members: Tony Anziano, Andy Fremier, and Stephen Maller;
Participants: Ali Banani, Michele DiFrancia, Beatriz Lacson, Peter Lee, Brian Maroney, Bart Ney, Dina Noel, Judis Santos, Bijan Sartipi, and Ken Terpstra

Convened: 1:14 PM

Items		Action
1.	CHAIR'S REPORT <ul style="list-style-type: none">The Chair complimented the team for the timely distribution of the quarterly reports to the Legislature.	
2.	CONSENT CALENDAR <p>BATA presented the following for approval.</p> <ul style="list-style-type: none">September 19, 2007 Meeting MinutesOctober 11, 2007 Conference Call Minutes	<ul style="list-style-type: none">The TBPOC APPROVED, with a 2-0 vote (in the absence of CTC Executive Director, who was apprised accordingly when he joined the meeting at 1:40 PM via telephone), the September 19, 2007 Meeting Minutes, and October 11, 2007 Conference Call Minutes.
3.	PROGRESS REPORT <ul style="list-style-type: none">BATA presented the Draft October 2007 Monthly Progress Report for information.Approval of this report by the TBPOC through delegated authority to the PMT is anticipated as soon as updated expenditure data and final comments are incorporated.	<ul style="list-style-type: none">The TBPOC confirmed APPROVAL of the September 2007 Monthly Progress Reports through their respective PMT members on October 2, 2007.

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Items	Action
<ul style="list-style-type: none">b. BATA presented, for information, the Projected 3rd Quarter 2007 Report Production Schedule and the Draft Third Quarter Report, September 30, 2007.• The TBPOC was requested to grant the PMT authority to approve the Third Quarter Report, September 30, 2007 on its behalf after appropriate reviews and final comments are received (by Friday, November 2). Issue date is November 14, 2007.• Comments/discussion included:<ul style="list-style-type: none">○ It was noted that page 6 of the report shows a West Approach completion date of Aug 09 when there are strong indications that this will occur earlier.<ul style="list-style-type: none">➤ It was the consensus that the Quarterly Report should reflect the dates as they are determined on a timely basis.➤ The PIO indicated that an early delivery of the West Approach project will certainly be a news item as soon as it is released to the Legislature.○ In response to the Chair's reminder that an update is due the Legislature soon, the PMT noted that a Legislative Update is being planned for February 21, 2008, as shown on the 2008 TBPOC Meeting Calendar.<ul style="list-style-type: none">➤ Slipping this date as necessary was suggested in order to cover the status of the West Approach project.○ It was noted that the Richmond-San Rafael Bridge will continue to be shown on this page 6 summary until the Public Access Project is completed.	<ul style="list-style-type: none">• The TBPOC AUTHORIZED the PMT to approve the Third Quarter Report, September 30, 2007 on its behalf, as requested, with the following changes:<ul style="list-style-type: none">➤ Modify the Project Complete Schedule Forecast date for SFOBB West Approach Replacement on page 6 from Aug 09 to Jan 09 (subject to validation by M. Forner/D. Turchon)➤ Add a line below the above item for Open to Traffic Date of Apr 08 (subject to validation by M. Forner/D. Turchon).• The PIO to monitor dates and arrange for the appropriate press release communicating the earlier than forecast completion date of the West Approach Replacement Project.

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Items	Action
<p data-bbox="199 279 630 310">4. PROGRAM ISSUES</p> <p data-bbox="367 310 837 380">a. TBSRP Capital Outlay Support (COS) Update</p> <ul data-bbox="378 386 927 1877" style="list-style-type: none"><li data-bbox="378 386 927 632">• The Department and BATA gave a COS update and a slide presentation covering the Current Budget Status, FY COS Work Plan and Allocation Development Timeline, COS Risks, Risk Analysis and Risk Mitigation Strategies.<li data-bbox="378 638 927 1877">• Comments/discussion included:<ul data-bbox="418 674 927 1877" style="list-style-type: none"><li data-bbox="418 674 927 989">○ COS, including known and planned expenditures, as well as identified risks, exceeds the AB144 Budget. This is primarily due to the addition of one year to the SAS schedule after the passage of AB144, increased overhead rates, and increased salary rates.<li data-bbox="418 995 927 1346">○ The Chair stressed the importance of working as a fully integrated team in the development and management of capital outlay support. BATA, CTC, and the Department are to work together in determining work load levels and needs, work planning and the allocation development process.<li data-bbox="418 1352 927 1598">○ In the absence of a structural approach being developed or outside help being solicited to measure efficiency, it is the Department's general observation that there is a high level of efficiency program-wide.<li data-bbox="418 1604 927 1703">○ The presentation identified rising State Overhead Rates as a risk.<li data-bbox="418 1709 927 1877">○ The question arose as to the appropriate level of Department support in China.<ul data-bbox="467 1808 927 1877" style="list-style-type: none"><li data-bbox="467 1808 927 1877">➤ Overseas staffing is being achieved via the graduated	<ul data-bbox="1003 386 1487 1877" style="list-style-type: none"><li data-bbox="1003 386 1487 527">• Staff of the Toll Bridge Finance Team (Ali Banani) to provide the PMT a breakdown of the overhead rates presented.<li data-bbox="1003 1598 1487 1738">• Toll Bridge Finance Team to include anticipated increased cost in consultant overhead rates.<li data-bbox="1003 1808 1487 1877">• The Department to provide an update on the China operations

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Items	Action
<p>approach (by ramping up gradually).</p> <ul style="list-style-type: none"> ➤ With recent negative press covering China-made products, the Department assured the TBPOC that ZPMC is a qualified fabricator, being watched by ABF every step of the way. ○ Caution was raised regarding pulling back on COS as this could negatively impact schedule; lack of resources could slowdown operations and disrupt early delivery. ○ Accelerating the project schedule, however, could also help minimize the COS and achieve maximum savings. ○ A chart outlining the COS Baseline, Risk Management Forecast, Potential Savings and Staffing Changes was handed out by the BATA Executive Director and discussed. ○ Overall, develop an approach in managing COS and identify opportunities that we are not taking advantage of, redundant tasks, etc. <p>b. SFOBB Coordination of Permit Requirements with Related External Planning</p> <ul style="list-style-type: none"> • The Department gave an overview of on-going and upcoming planning efforts regarding development of the Oakland Spit (the peninsula that currently houses the toll plaza and eastern end of the San Francisco-Oakland Bay Bridge) involving the Department and various stakeholder agencies. The specific East Span efforts are based on permit and agreement requirements covering the following: 	<p>staffing at the December 11, 2007 TBPOC meeting.</p> <ul style="list-style-type: none"> • The PIO/CPT to develop talking points to address public questions and concerns in this regard. • The PMT to provide at the TBPOC December 11, 2007 meeting a further evaluation of the following: <ol style="list-style-type: none"> 1. Opportunity Schedule: potential related cost savings from schedule acceleration. 2. Level of Staffing/Overlay: Identify the cost of support that District and Headquarters personnel provide, level and reason for their involvement. Assess consultants, BATA/BAMC numbers, as well. 3. China: Evaluate levels of staffing (vis-a-vis number of ABF personnel), analyze assumptions and identify potential cost savings.

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Items	Action
<ul style="list-style-type: none"> ○ San Francisco Bay Conservation and Development Commission (BCDC) Permit 8-01 (public access requirements) and ○ Memorandum of Agreement (MOA) under Section 106 of the National Historic Preservation Act (NHPA). • Comments/discussion included: <ul style="list-style-type: none"> ○ The Department has initiated a research and coordination effort involving interested parties. ○ It was suggested that the TBPOC consider hosting a meeting early next year, on-site, with key stakeholders, to expand on the initial planning and research efforts. <ul style="list-style-type: none"> ➤ This will provide an opportunity to brainstorm ideas and participate in an open dialogue about the future of the Gateway Park site. ➤ The Department provided a preliminary list of potential invitees. 	<ul style="list-style-type: none"> • The TBPOC AGREED to host a coordination meeting on-site, in early 2008, with key stakeholders. Ensure that during the meeting, expectations are managed and the results of the meeting serve as a historical document.
<p>5. SAN FRANCISCO-OAKLAND BAY BRIDGE (SFOBB) UPDATES</p> <p>a. Yerba Buena Island</p> <ol style="list-style-type: none"> 1) Update: Labor Day Weekend Closure for Detour West Tie-In Work/YBI Viaduct Replacement <ul style="list-style-type: none"> • Agenda item deferred. 2) The Department presented the following Contract Change Orders to the TBPOC to confirm their approval: <ol style="list-style-type: none"> a) CCO No. 91 Supplement 1 – \$8,463,159 for additional time-related overhead (TRO) associated with the significant extension of the duration of this contract; 	<ul style="list-style-type: none"> • The TBPOC APPROVED CCO Nos. 91 S1 and 73, as presented, with the incorporation of BATA-requested revisions to the CCO 73 memorandum.

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Items	Action
<p>b) CCO No. 73 – \$62,958,990 for the balance of the remaining advance foundation work for the YBITS.</p> <ul style="list-style-type: none"> ○ The above two CCO's are included in the Implementation Memo approved by the TBPOC on July 27, 2007, which covers all currently known CCO's needed for the various elements of work on YBI Detour and Transition Structure advance work currently estimated at \$334 million. 	
<p>2) Budget Balance Beam (BBB)</p> <ul style="list-style-type: none"> • The Department presented an updated BBB based on a new risk management analysis performed consistent with the breakdown of the categories of work defined in the Implementation Memo. ○ The BBB shows a forecast at completion of \$400 million, \$66.56 million more than currently budgeted. A forecast revision in the 4th Quarter is anticipated with the likely occurrence of certain defined risks. 	<ul style="list-style-type: none"> • Revise the YBI Detour (SSD) forecast in the 4th Quarter. • Revise approach to forecasting schedule and budget. Present the current TBPOC protocol and how we approach forecasting to date and compare with how we would approach forecasting if we were to implement a new/revised method. Provide/walk through an example. • The PMT to develop approach and present to the TBPOC at the December 11, 2007 meeting.
<p>b. SAS and OTD General Update</p> <ul style="list-style-type: none"> • Agenda item deferred. 	
<p>c. Project-Specific Insurance</p> <ul style="list-style-type: none"> • The Department summarized the background, key issues, options and cost to replace the project-specific professional liability insurance procured for the SFOBB East Span Seismic Safety Project (ESSSP). • Comments/discussion included: ○ The Department recommends 	<ul style="list-style-type: none"> • The PMT to confer with the Joint Venture to determine what options are available to the TBPOC, and present again to the TBPOC for action on December 11, 2007.

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Items	Action
<p>that the TBPOC approve re-negotiating a replacement program now to obtain a reasonable amount of savings and maintain good relations with the Joint Venture.</p> <p>d. Jones Act</p> <ul style="list-style-type: none"> • Agenda item deferred. <p>e. Skyway Project Closeout</p> <ul style="list-style-type: none"> • Agenda item deferred. 	<ul style="list-style-type: none"> • The TBPOC requested that written memos be provided for the “For Information Only” agenda items.
<p>6. NEW BENICIA-MARTINEZ BRIDGE</p> <p>a. BASE Security System</p> <ul style="list-style-type: none"> • BATA presented, for TBPOC approval, the transfer of \$3.0 million in available contract contingency funds from the New Benicia-Martinez Bridge Contract (04-00603_) to a Director’s Order to install the Bay Area Security Enhancement (BASE) System on the new bridge (04-4A740_). • Comments/discussion included: <ul style="list-style-type: none"> ○ The Department’s District 4 Maintenance staff has been working with the California Highway Patrol to develop a security plan for the new bridge as part of the overall BASE Project. Currently, there is no security on the bridge. ○ The Department has requested an allocation of \$3.0 million to fund the installation of the BASE system on the new bridge. To expedite the work, the contract would be advertised as a “Director’s Order”. <ul style="list-style-type: none"> ➤ It was noted that invoking the Director’s Order is a serious matter and not to be taken lightly. ○ BATA proposes to transfer previously allocated and 	<ul style="list-style-type: none"> • The TBPOC APPROVED the transfer of \$3.0 million from the New Benicia-Martinez Bridge Contract to install the Bay Area Security Enhancement (BASE) System on the new bridge, as presented, with the following direction to staff: <ul style="list-style-type: none"> ➤ Further analyze the use of Director’s Order vs. the direct bid process, to ensure that the former is not being invoked needlessly.

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Items	Action
<p>available Regional Measure I funds from the New Benicia-Martinez Bridge Contract (04-00603_) to the BASE Security Cameral Contract (04-4A740_). The transfer would not impact the overall budget for the New Benicia-Martinez Bridge Project.</p> <ul style="list-style-type: none">○ The BASE cameras would be installed at various locations around the bridge, and is not expected to impact traffic.	
<p>7. Other Business</p> <ul style="list-style-type: none">• The TBPOC reconvened in the Chair's office for a closed-door discussion.	

Adjourned: 4:00 PM

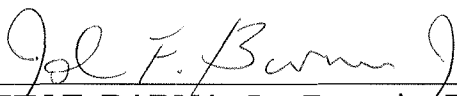
APPROVED BY:



WILL KEMPTON, Director
California Department of Transportation

12/11/07

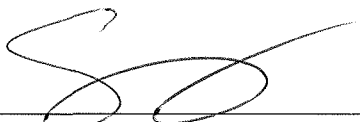
Date



JOHN F. BARNA, Jr., Executive Director
California Transportation Commission

12/11/07

Date



STEVE HEMINGER, Executive Director
Bay Area Toll Authority

12/11/07

Date